REMARKS

INTRODUCTION

In accordance with the foregoing, the claims have not been amended. No new matter is being presented, and approval and entry are respectfully requested.

Claims 1 – 12 are pending and under consideration. Reconsideration is respectfully requested.

REJECTION UNDER 35 U.S.C. §102

In the Office Action, at page 2, numbered item 3, claims 1, 2 and 4 - 8 were rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,934,258 to Smith, et al. The reasons for the rejection are set forth in the Office Action and therefore not repeated. Of the rejected claims, claims 1, 4 and 8 are independent claims, and claims 2 and 5 - 7 depend directly or indirectly from independent claims 1 and 4.

As basis for the rejection of claims 1 and 4 the Examiner asserts that an Internet telephone apparatus 30 disclosed by Smith, et al. comprises "a gateway means 230 for establishing a path between said first port (PSTN I/O) and said second port (IP I/O) inside said apparatus in response to a request from a remote unit 36 on the IP network 14 acting on behalf of a caller 34". This assertion is not supported by the reference.

Item 30 in the Smith, et al. reference is a PBX System (Fig. 1), which is connected to both a PSTN Network 18 and an IP Network 14. A number of telephones 32 are connected to the input/output terminal (242) of the PBX System 30. The PBX System 30 can connect each telephone 32 either to the PSTN Network 18 or to the IP Network 14. Item 230 in Fig. 2 is not a gateway means, as asserted by the Examiner, but only a Transport Control Unit, which determines which one of the two networks is connected to a certain telephone 32 (column 7, lines 30 - 37).

The Examiner noted that the transport control utility 230 switches the call on the IP Network 14 to PSTN Network 18 or vice versa and draws the conclusion that "a path is established between the IP I/O and the PSTN I/O". Smith, et al. does not describe that, nor would it fill any purpose for the invention by Smith, et al. Smith, et al. teaches a way to change the transport of a call from an IP network to transport over the PSTN, by selecting one of two paths in the apparatus 30. One path connects a telephone 32 to the IP Network 14 and the alternative path connects a telephone 32 to the PSTN Network 18. In Smith, et al.'s invention,

no path is ever established between the IP Network 14 and the PSTN Network 18.

The two paths described by <u>Smith</u>, et al. are alternative and mutually exclusive, which contradicts the assertion that a path is ever established between the IP I/O and the PSTN I/O. The Transport Control Unit cannot "establish a path between said first port and said second port" as specified in claims 1 and 4 of the present application.

The Transport Control Unit 230 in Fig. 2 responds to signals from a QOS Analysis Unit 226, which analyzes data from a Jitter Buffer 234, and automatically changes the transport of a call from the IP Network to the PSTN Network, when the Quality of Service for calls over the IP Network falls below a preset level (column 7, 38 - 49). A call on the IP network is never connected to the PSTN via a path in the apparatus, as specified in claims 1 and 4 of the present application. And further, the request to set up a certain path does not come from a server acting on behalf of a caller.

Fig. 2 of the reference does show a block 216 named "Internet Gateway", but this unit 216 only processes data received from or output to the Internet by the PBX (column 7, lines 20-23). The Internet Gateway 216 can not serve as a gateway between the two networks 14, 18, and it can not connect the terminals to the IP Network 18 and the PSTN Network 14 together, as specified in claims 1 and 4 of the present application.

Claims 2, 5, 6, 7 are dependent on claims 1 or 4, which are not anticipated by the <u>Smith</u>, et al. reference. These claims are accordingly allowable.

The rejection of claim 8 is based on the same misreading of the reference as described above. Claim 8 is accordingly not anticipated by the <u>Smith</u>, et al. reference.

The <u>Smith</u>, <u>et al.</u> reference is only concerned about avoiding IP Network connections with low Quality of Service between directly connected users. It is not concerned with forwarding of calls from an IP Network to a PSTN Network at a remote location, and gateways for such a purpose is not considered by the reference.

The <u>Smith</u>, et al. reference does not describe or suggest internal gateways in telecommunication apparatuses for interconnecting the IP Network 18 to the PSTN Network 14, as specified in independent claims 1, 4, and 8 of the present application. The present invention as claimed is accordingly not anticipated by the <u>Smith</u>, et al. reference.

Independent claims 1, 4, 8 clearly distinguish the present invention from the prior art. Applicant respectfully submits that independent claims 1, 4, 8 and claims 2, 3, 5, 6, 7, which depend either directly or indirectly therefrom, are in condition for allowance.

REJECTION UNDER 35 U.S.C. §103

In the Office Action, at page 5, numbered item 5, numbered paragraph 5, claim 3 was rejected under 35 U.S.C. §103(a) as being unpatentable over <u>Smith, et al.</u> in view of U.S. Patent No. 6,711,160 to <u>Chan, et al.</u> The reasons for the rejection are set forth in the Office Action and therefore not repeated. The rejection is traversed and reconsideration is requested.

Claim 3 depends indirectly from independent claim 1, which according to the previous section is patentable. There is nothing disclosed or implied in <u>Smith, et al.</u> or <u>Chan, et al.</u>, individually or in combination, that would make the present invention obvious. Reconsideration and approval is sincerely requested.

In the Office Action, at page 5, numbered item 6, claim 10 was rejected under 35 U.S.C. §103(a) as being unpatentable over <u>Smith, et al.</u> in view of U.S. Patent No. 6,353,610 to <u>Bhattacharya</u>, et al. The reasons for the rejection are set forth in the Office Action and therefore not repeated. The rejection is traversed and reconsideration is requested.

Claim 10 depends from independent claim 8, which according to the previous section is patentable. Bhattacharya, et al. clearly shows central gateways 100, and does not consider gateway means inside the telephone devices 115, 140. There is nothing disclosed or implied in Smith, et al. or Bhattacharya, et al., individually or in combination, that would make the present invention obvious. Reconsideration and approval is sincerely requested.

ALLOWABLE SUBJECT MATTER

On page 6, numbered paragraph 6, the Examiner objects to claims 9, 11, and 12 as being dependent upon a rejected claim. It is respectfully requested that this objection be reversed in view of the above arguments for allowability of the independent claims in the present application.

Further, Applicant notes that claim 10, which depends directly from allowable claim 9, was rejected. Applicant respectfully submits that claim 10 should be allowable for at least the same reasons as claim 9, from which it depends.

CONCLUSION

In accordance with the foregoing, it is respectfully submitted that all outstanding objections and rejections have been overcome and/or rendered moot. And further, that all pending claims patentably distinguish over the prior art. Thus, there being no further

outstanding objections or rejections, the application is submitted as being in condition for allowance which action is earnestly solicited.

If the Examiner has any remaining issues to be addressed, it is believed that prosecution can be expedited by the Examiner contacting the undersigned attorney for a telephone interview to discuss resolution of such issues.

If there are any underpayments or overpayments of fees associated with the filing of this Amendment, please charge and/or credit the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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